

**POSITION PAPER
ON
KENT COUNTY BOARD OF COMMISSIONERS
PURCHASE OF DEVELOPMENT RIGHTS (PDR) SUBCOMMITTEE REPORT**

**Submitted by:
United Growth for Kent County Coalition**

Members of the United Growth for Kent County Coalition¹ have reviewed the December 14, 2004 report of the Kent County Board of Commissioners, Purchase of Development Rights Subcommittee regarding the allocation of Kent County general funds for the PDR Program, and respectfully wish to offer comments on the report. It is the hope of these individuals that the Board of Commissioners will consider these comments in re-visiting the issue of providing County funding for the PDR Program in future years.

Coalition members believe that the Subcommittee recommendation that no County funding be allocated for the PDR Program fails to take into consideration a number of important factors, and that much of the information on which the Subcommittee based its conclusions and recommendation are incomplete or inaccurate. The following are points that the Coalition believes should be taken into consideration by the County in considering the important issue of funding for the PDR Program:

1. While it is true that the PDR ordinance is enabling legislation, it is also true that the intent of the ordinance is to accomplish the goal of preserving farmland. To view the County's role as being nothing more than a one-time enabler of the program, without being an active, ongoing participant in the process of accomplishing the program goal, would seem to fall far short of the County's capability to participate actively in the program and help make it successful.
2. We appreciate the ongoing fiscal uncertainty and constraints faced by the County as it makes difficult budgeting choices. However, we would urge that the County Commission consider the potential long-term public cost reduction benefits that will be realized through a successful PDR program. Evidence suggests that agricultural land use places a much lower service and fiscal burden on local governments than that which occurs when farmland is converted to low density residential sprawl. For example, a 1996 study conducted in Scio Township (Washtenaw County) and published by the Potawatomi Land Trust found that for every \$1.00 in local government tax revenue generated by agricultural land, a service cost burden of only \$.62 was generated, while for residential land, for each \$1.00 of local government tax revenue, \$1.40 in service costs were generated.² The public cost burden of low density residential sprawl is most particularly felt by the county in the form of needs for added road upgrading and maintenance, and increased demands for sheriff's road patrol and law enforcement.

A successful PDR program can be one component of a comprehensive strategy to limit the outward movement of housing, population and tax base in a pattern of low density sprawl, and help strengthen and revitalize existing urban centers which are already served by major investments in public infrastructure.

Simply put, investment of public funds in the PDR program makes good sense from a fiscal standpoint, by providing long-term public service cost savings, and helping support a sound tax base in established urban centers.

3. Coalition members do not believe that County funding of the PDR Program would amount to "directly supporting any single private sector industry," as was concluded by the Subcommittee. A PDR contract with a property owner provides compensation to the owner for giving up the non-agricultural, private

¹ This position paper does not represent the views of Michigan State University Extension or any of its staff.

² Laura Crane, Michelle Manion, and Karl Spiecher, A Cost of Community Services Study of Scio Township (Ann Arbor, Michigan: Potawatomi Land Trust, July 1996)

development value of the property, which is a non-agricultural property asset owned by the land owner. The PDR transaction does not subsidize the agricultural operation that may occur on the property. In fact, it is entirely possible that the land may not currently be in agricultural use, as lands in set-aside programs qualify for state and federal PDR funding, and the property owner may not be a farmer.

The Commission should also consider that the benefits of having a healthy agricultural economic base in Kent County go far beyond the property owner involved. The agricultural income produced in Kent County has the same multiplier effect that ripples through the general economy that is produced by other, non-agricultural sources of income. As the manufacturing sector of our local economy continues to diminish in importance, the importance of the agricultural economy to the overall economic health of the community will grow.

Coalition members believe County funding of the PDR program would produce the same type of general economic benefit that results from County funding of the tourism and convention industry through the Convention and Visitor's Bureau.

4. The Subcommittee's assumption that local units will not be able to provide local funding for the PDR Program is not warranted, and fails to take into consideration the role that a County matching commitment could have in encouraging greater local unit participation in the PDR Program. In addition, the non-profit sector has demonstrated considerable interest in being a partner in achieving a successful PDR Program. It is likely that a commitment of County funding to the program would result in additional foundation support.
5. The funding assumptions made by the Subcommittee in reaching its conclusion that achieving the 93,000 acre, 10-year goal of the program is unrealistic do not take into consideration the 50% federal matching funds that are available under the Farm and Ranch Lands Protection program, and the Subcommittee's analysis pre-dates the recent allocation of State funding toward local PDR programs. Coalition members believe that County participation as a financial partner with the Federal program, State program, local units and the non-profit sector would provide the financial means to make significant progress toward achieving the original program goals.

In addition, it is very self-defeating for the Subcommittee to conclude that if the 10-year goal cannot be fully realized on schedule, that no effort should be made to reach the goal at all. If the 93,000 acre goal of the program can be realized in 15 years or 20 years rather than 10, it will be no less successful.

6. While it is true that a PDR contract does not require the land to be kept in agricultural production, current production is a secondary, less important goal compared to that of preserving a long-term agricultural land resource in the County. It would not be wise or practical to mandate agricultural production that may not currently be economically viable. The goals of the PDR Program are served by keeping land in a condition in which it remains capable of becoming productive in the future, regardless whether it is currently being farmed.
7. In addition, although the contribution that preserved agricultural land makes toward preserving green space in the metro area is important, it is secondary to the main goal of preserving a base of land capable of agricultural production, to meet the future need to feed a growing population. The County's admirable accomplishments in open space and park land development should not be viewed as negating the need to preserve important agricultural land.
8. With respect to the greenspace benefits of farmland preservation, it should be noted that the permanent greenspace provided by a PDR program does not impose on the county the indefinite financial commitment to annual operation and maintenance costs that is borne with public open space and park lands.

9. The county should also consider that agricultural land use conducted using “best management practices” places much less of a burden on our fragile environmental resources, including surface and ground water, as well as air quality, than other types of land use. These environmental benefits of a successful PDR program should be considered in funding deliberations for the program.
10. The Kent County PDR Program provides support for the important community goal of maintaining a strong, locally-supported agricultural economy, with a stronger direct connection between local producers and local consumers. Much emphasis has been placed within the local agricultural community on developing more “value-added” agricultural products that can be marketed locally. Maintaining a base of local agricultural land is critical to strengthening this segment of our local economy. Kent County’s agricultural businesses employ over 4,500 people and produce a market value of raw produce valued at almost \$150 million per year. 31% of Kent County’s land base is farmland. Kent County remains the 5th most agricultural productive county in the state and the top producer of apples with over 9,300 acres of apple orchards.

Members of the United Growth for Kent County Coalition believe that consideration of the full range of benefits of a PDR program, as discussed above, and a realistic assessment of the potential funding partnerships that can be forged to carry out the program, make it incumbent upon the County Board of Commissioners to provide a meaningful level of County funding to the Purchase of Development Rights program in future years.

Finally, the Coalition wishes to express its appreciation for the County’s 3-year commitment of funding toward the Land Use Educator position, which has enabled the PDR Program to achieve its initial successes to date.

As members of the United Growth for Kent County Coalition,

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